



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

KRISTEN COX
Executive Director

October 27, 2017

Lieutenant Governor,

Submitted below is the Governor's Office of Management and Budget's fiscal estimate for the "*Utah Decides Healthcare Statewide Initiative*."

The Governor's Office of Management and Budget estimates that this proposed initiative would, in fiscal year 2021 (upon full phase-in of the federal Affordable Care Act):

- Result in total state fiscal expenses of about \$635,000,000, including about \$615,000,000 for additional state expenses for current and additional Medicaid services and \$20 million for transportation;
- Increase state sales taxes by about \$90,000,000 by increasing the state sales tax rate by 0.15%, from 4.70% to 4.85% (a 3.2% increase from the current tax rate).

Estimates could vary with changes in federal funding, taxpayer behavior, Medicaid recipient behavior, or different interpretation of ambiguous language.

In addition, the cost of posting information regarding the proposed initiative in Utah's statewide newspapers and for printing additional pages in the voter information pamphlet is estimated at \$30,000 in one-time funds.

Should you have any questions, please contact Nate Talley, Budget and Policy Manager, at (801) 538-1556.

Sincerely,

Kristen Cox

Executive Director